



Memorandum

TO: Mayor and City Council

FROM: Vice Mayor Cindy Chavez
and Councilmembers Nora
Campos & David Cortese

SUBJECT: SEE BELOW

DATE: August 29, 2005

APPROVED:

Cindy Chavez
Re for DC

DATE: 8/29/05

SUBJECT: SAN JOSE MEDICAL CENTER REQUEST FOR QUALIFICATIONS AND
RECOMMENDED NEXT STEPS

RECOMMENDATION:

That the Council Accept the Staff report and provide direction to Staff to:

- Immediately prepare a work plan for a stakeholder based community planning process for the San Jose Medical Center site and surrounding properties on East Santa Clara Street to be brought back to City Council for approval in forty-five days (Option 2)

With the following additional clarification:

- Include a funding strategy that insures an open, public planning process managed by City
- Include adjacent properties within the study area as appropriate
- Implementation Goals should include:
 - Comprehensive outpatient health services facility (i.e. Gardener Health Clinic) to meet the basic, low-cost health care needs of the surrounding neighborhoods (as recommended by staff) and identifying 5 acres for future expansion into a full service hospital on-site (including helipad)
 - Opportunities for range of housing at various income levels, including a continuing care retirement community (i.e. proposal from Cornerstone Affiliates/Greystone Communities/American Baptist Homes of the West)
 - Fulfilling the Open Space requirement generated by any new housing units on site (as specified in the Park Dedication Ordinance)
 - Relocation of Fire Station #8

BACKGROUND:

As outlined within the July 15th staff memo, the closure of the San Jose Medical Center (SJMC) by Hospital Corporation of America (HCA) resulted in the loss of health care services to residents and

workers of downtown San Jose. The Request for Qualifications (RFQ) was a response to the anticipated need for health care services within the downtown as identified by the Zaretsky Study.

While the Zaretsky Study identified the need for a full service, 200-bed hospital by the year 2020 (unless existing hospitals expand significantly), the responses to the RFQ demonstrate that this anticipated demand is not reflected in the current market demand for development of the SJMC site. By working with the stakeholders (including the owners of healthcare related properties within the study area and others), staff will be able to develop a work plan that best meets the goals of the community. It is vital that as we move forward, we are protecting the availability of land suitable for hospital uses as well as providing for the continued revitalization of East Santa Clara Street.

COORDINATION:

This recommendation has been coordinated with the City Manager's Office, City Attorney's Office, the Planning Department, HCA, and the Save the San Jose Medical Center Coalition.